GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:235
ANSWERED ON:18.03.2005
INDO-GERMAN COOPERATION IN POWER SECTOR
Mandlik Shri Sadashivrao Dadoba

Will the Minister of POWER be pleased to state:

(a) whether the Germany provides both financial and technical assistance for Power projects in the country;

(b) if so, the terms and conditions of such assistance;

(c) the projects assisted by Germany during each of the last three years, State- wise;

(d) the target fixed for power generation for these projects and achieved during the period; and

(e) the outstanding debts against these projects as on date and the time by when such debt is likely to be repaid?

Answer

THE MINISTER OF POWER (SHRI P.M. SAYEED)

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO. 235 TO BE ANSWERED IN THE LOK SABHA ON 18.03.2005 REGARDING INDO-GERMAN COOPERATION IN POWER SECTOR.

(a) & (b) : Yes, Sir. The Federal Republic of Germany (FRG) provides both Financial and Technical Assistance in Power Sector under Indo-German Bilateral Development Cooperation Programme. Financial Assistance is provided as mixed credit consisting of soft loan, grant and commercial credit.

The soft loan is generally available at an interest rate of 0.75% p.a. with a repayment period of 40 years including a grace period of 10 years. The loan also carries a commitment charge of 0.25% on the un-disbursed amount. Commercial credit is provided at the prevailing market rate with a repayment period of 10 years including a grace period of 5 years. Technical Assistance is provided in the form of grant.

(c) & (d) : FRG has assisted following power projects during last three years (2001-02, 2002-03, 2003-04):

(i) Renovation and Modernization of Units 3 & 4 of Hirakud HEP, Orissa, with a loan assistance of Euro 11.89 million.

Both the units are under shut down for renovation and modernization.

(ii) Technical Assistance to Bureau of Energy Efficiency under Indo-German Energy Programme (IGEN) with the grant of Euro 9.93 million.

(e) : As on 10.03.2005, Euro 11.77 million (Rs.64.68 Cr.) is the outstanding debt against R&M of Hirakud HEP. The debt is to be repaid in accordance with the terms and conditions of the loan by June 30, 2035.